

APPENDIX I-7: ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT — EXAMPLE

[Account history of pre-rule and post-rule accounts computed using aggregate analysis.]

[Servicer's name, address, and toll-free number.]

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT — ACCOUNT HISTORY

THIS IS A STATEMENT OF ACTUAL ACTIVITY IN YOUR ESCROW ACCOUNT FROM SEPTEMBER 1993 THROUGH AUGUST 1994. (COMPARE IT TO THE ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT — PROJECTIONS FOR COMING YEAR — WHICH WAS SENT TO YOU LAST YEAR ON AUGUST 16 (ANOTHER COPY IS ENCLOSED).)

YOUR MONTHLY MORTGAGE PAYMENT FOR THE PAST YEAR WAS \$ 1,324 OF WHICH \$ 1,124 WAS FOR PRINCIPAL AND INTEREST AND \$ 200 WENT INTO YOUR ESCROW ACCOUNT.

Month	Payments to Escrow Account	Payments from Escrow Account	Description	Escrow Account Balance
Starting balance:				<u>\$1,200</u>
September	200	0		1,400
October	200	680 *	taxes	920
November	200	600	insurance	520
December	200	0		720
January	200	0		920
February	200	0		1,120
March	200	0		1,320
April	200	0		1,520
May	200	0		1,720
June	200	0		1,920
July	200	1,000 *	taxes	1,120
August	200	0		1,320

An asterisk (*) indicates a difference from a previous estimate either in the date or the amount.

Last year, we anticipated that payments from your account would be made during this period equaling \$ 2,400. Under Federal law, your lowest monthly balance should not have exceeded \$ 400 or 1/6 of anticipated payments from the account, unless your mortgage contract or State law specifies a lower amount. Under your mortgage contract and State law, your lowest monthly balance should not have exceeded \$ 400.

Your actual lowest monthly balance was greater than \$ 400. The items with an asterisk on your Account History may explain this. If you want a further explanation, please call our toll-free number.